



# mFund Industry Working Group

ASX Investment Products

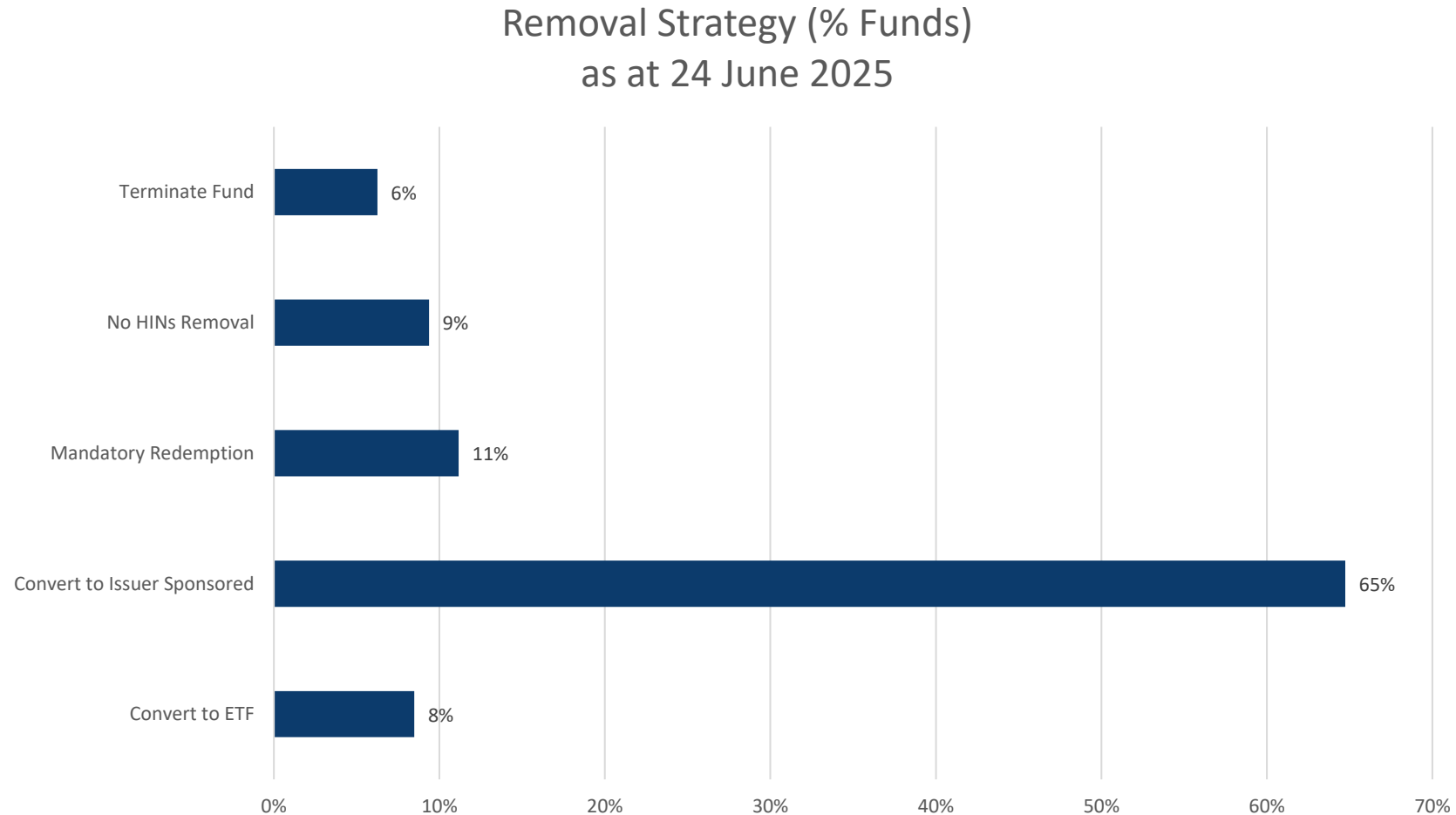
25 June 2025

# Agenda

- 01 Trends
- 02 Review of Modified Removal Processes
- 03 Observations from June Qtr Removals
- 04 Removals Schedule on Website
- 05 Sub Projects Update
- 06 Future Meetings
- 07 Key Contacts

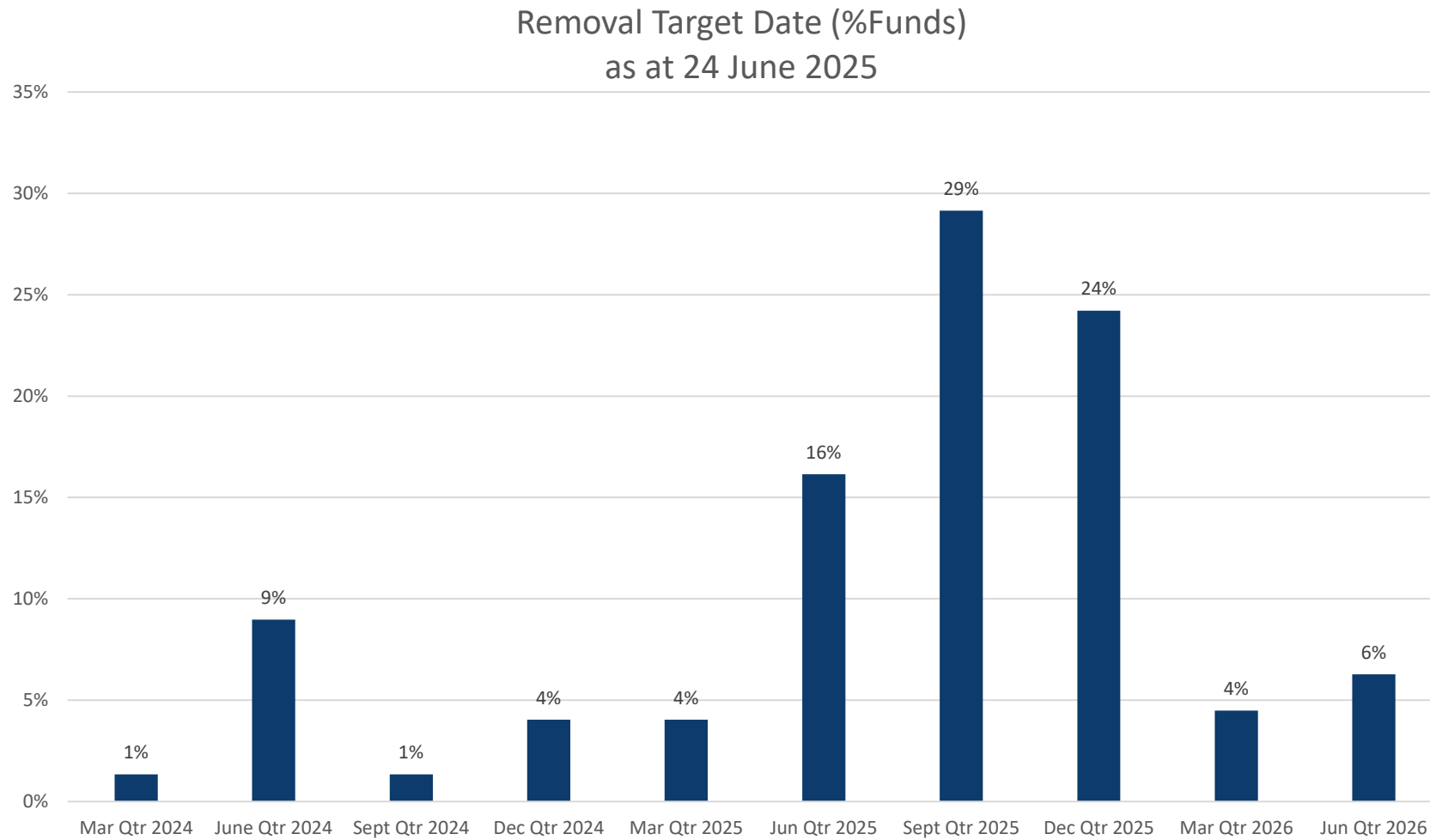
# 1. Trends

## Removal Strategy



# 1. Trends

## Target Removal Date from mFund



# 2. Review of Modified Removal Processes

## Standard Process – 4 step process per the *mFund Removals Checklist*

ASX

**mFund Removals Checklist**

24 June 2025

The purpose of this document is to assist AQUA Product Issuers (the "Issuer") when seeking the removal of **mFund** Products in response to the closure of the ASX Managed Fund Settlement Service on 31 May 2026.

The completion of the **mFund** Removal Checklist will ensure a smooth transition for Issuers by establishing a plan for the removal of an **mFund** product. It articulates:

- the **key actions** required to remove an **mFund** product from the **mFund** platform,
- when** those key actions will be performed, and
- critical information** required by ASX to approve the removal of an **mFund** product.

**Step 1 – Establish the Removal Date**

The choice of removal date will depend upon a number of factors including the Issuer's future strategy for their product once removed from **mFund**, communications plan to unitholders, product disclosure statement review dates and registry scheduling.

**Step 2 – Complete the Checklist**

Once the removal date is confirmed, the scheduling of most of the key actions simply fall into place. The key actions and their timing are captured in [the mFund Removals Checklist](#) below and on the following [page](#):

mFund Product Removal Checklist	Issuer to insert
1. Issuer Name	[Please insert]
2. mFund Product Name and ASX code	[Please list all mFund Products to be removed]
3. Number of investors in each product	[Please insert]
4. Basis for removal	ASX's decision to terminate the mFund service
5. Proposed Removal Date from mFund	[Insert date]
6. Blackout Period (no further unitholder requests to purchase or redeem units accepted)	[Insert dates] – generally the 3 working days prior to the Removal Date*
7. Registry adjustment of CHESS holdings to Nil	[Insert date] – generally the last day of the Blackout Period
8. mFund Fund Profile updating Fund Status to Closed to All Applications & Redemptions	[Insert date] – last day before the commencement of the Blackout Period (lodge by midday on the day prior)
9. mFund Fund Profile updating Fund Status to Closed to New Investors (optional)	[Insert date] – generally some months prior to the Removal Date
10. Market Announcement (to confirm removal date and blackout period lodged on ASX Online)	[Insert date] – minimum 30 days prior to removal date but shorter timeframes considered*
11. If the fund is terminating, rights to terminate under the fund's constitution	[If applicable, please insert reference]
12. Will any investors have their units compulsorily redeemed as a result of the removal of the fund from mFund? (eg, if fund is terminating, if investors fail to comply with issuer requirements etc.)	[Yes/No] If Yes, please confirm that the compulsory redemption will be conducted in accordance with the Corporations Act and fund constitution. [Confirmed/Not Confirmed]

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mFund Removals Checklist 3/3

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13. Unitholder approval for the removal of products from mFund required	[Yes/No]
14. Revocation of AQUA Product Issuer required	[Yes/No]

\*Terminating funds do not require a Blackout Period nor need to comply with the 30 day notice period to investors. If you are unsure how to update the Fund Status via your Fund Profile or publish Market Announcements, please contact Rory Cunningham at [rory.cunningham@asx.com.au](mailto:rory.cunningham@asx.com.au).

**Step 3 – Send a Removal Request Letter to ASX**

Once the Checklist is complete, Issuers need to send a formal request to ASX to remove the Fund which should take the following form:

- be formatted as a **letter on Issuer letterhead**,
- contain the Removal Checklist** above with highlighted fields populated, and
- signed by any person who has the authority to request the product's removal** from the ASX Managed Fund Settlement Service.

The request for revocation should be sent to [InvestmentProducts.Compliance@asx.com.au](mailto:InvestmentProducts.Compliance@asx.com.au) and cc'd to [rory.cunningham@asx.com.au](mailto:rory.cunningham@asx.com.au). The removal decision will be communicated to the Issuer in writing by the Investment Products Compliance team via email.

Note that issuers of terminating funds need only inform ASX of the fund's termination or intention to terminate via email and Market Announcement.

**Step 4 – Liaise with Registry & ASX During Removal Phase**

It is critical that the Issuer communicates effectively with its registry and ASX as follows:

- Prior to commencement of the Blackout Period – ensure the registry is aware of the Removal Date, the Blackout Period dates and the last date to accept applications and redemptions for units.
- First Day of Blackout Period – ensure the registry is aware that Blackout Period has commenced and to reject any orders received during this time.
- On the Removal Date – obtain confirmation from the registry that CHESS Holdings have been removed and provide written confirmation to ASX that CHESS Holdings have been adjusted to Nil. Confirmation should be sent to [InvestmentProducts.Compliance@asx.com.au](mailto:InvestmentProducts.Compliance@asx.com.au) and cc'd to [rory.cunningham@asx.com.au](mailto:rory.cunningham@asx.com.au). Once this confirmation is received, ASX will remove the **mFund** product as soon as possible, either on the same day or next business day.

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mFund Removals Checklist 3/3

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<https://asxonline.com/public/documents/asx-managed-fund-settlement-service--mfund-/mfund-wind-down-and-closure.html>

ASX

## 2. Review of Modified Removal Processes

### 1. Terminations

- Same process as standard process except:
  - Notification to ASX of Termination required, but not formal request to remove fund from mFund
  - Notification can be in the form of an email
- *Noting that:*
  - *mFund Removals Checklist* IS STILL required (to complete Mandatory Redemption questions)
  - *Market Announcement* from the Issuer IS STILL required
- ASX will issue a Market Announcement once removed

## 2. Review of Modified Removal Processes

### 2. No HIN Removal Process

- Letter from Issuer instructing ASX to remove fund immediately on the basis that there are no CHESS investors
  - Letter on Issuer letterhead
  - Signed by person authorized by issuer to instruct ASX
- NO *mFund Removals Checklist* required
- NO Issuer Market Announcement required
- ASX will issue a Market Announcement once removed

### 3. Observations from June Qtr Removals

June Quarter was the first time some of the larger (500+ HINs) were removed

- 1) Increased investor call centre activity
- 2) Adviser queries to issuers yet to announce removals
- 3) Generally, CHESS HINs will have reduced by half at the time of removal
- 4) Implications for *other* issuers and brokers;
  - Could precipitate calls from investors and advisers
  - Alert service teams – call centre, business development
  - [mFund Wind Down and Closure page](#) for full list of scheduled removals




# 4. Removals Schedule on Website

For instant reference to Upcoming Fund Removals & Market Announcements

To assist;

- Advisers
- Brokers
- Wealth management platform managers
- Data vendors
- Advice software managers
- Fintechs



Search ASX Online...

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OTC

Return Lodgement and Monitoring System (RLM)

TradeAccept

Participant

Technical Services

 MFUND WIND DOWN AND CLOSURE

mFund wind down and closure

About this page

ASX has established this page as a resource to help business stakeholders of the ASX Managed Fund Settlement Service (mFund) to find key information about the wind down and closure of

Upcoming mFund product removals*		
ASX security code	Investment fund name	Expected date of removal & link to Market Announcement
MFA02	Milford Dynamic Small Companies Fund	<u>24 March 2025</u>
SFZ19	SGH Ex-20 Australian Equities	<u>31 March 2025 (Fund termination)</u>
MFA03	Milford Diversified Income Fund (AU)	<u>31 March 2025 (Fund termination)</u>
APF01	Dexus Areit Fund	<u>31 March 2025</u>
LKH01	Lakehouse Global Growth Fund	<u>7 April 2025</u>

<https://asxonline.com/public/documents/asx-managed-fund-settlement-service--mfund-/mfund-wind-down-and-closure.html>

## 5. Sub Projects Update

### Financial Services Council AML/KYC Update

- FSC is seeking clarification of AML/KYC requirements from AUSTRAC
- Submission made mid November requesting a grace period of 18 months for collection of AML/KYC from investors
- Contact FSC for details (Ashley Davies, Policy Director-Legal)

## 6. Future Meeting Dates

Wednesday 25<sup>th</sup> June 2025, 11am

Wednesday 20<sup>th</sup> August 2025, 11am

Wednesday 15<sup>th</sup> October 2025, 11am

## 7. Key Contacts

Please email [mFund@asx.com.au](mailto:mFund@asx.com.au) for general enquiries or to commence the removal process.  
Alternatively, please contact any of the following team members if you have further questions.

*Up to 30 June 2025.....*

**Ashley Parker**

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*From 1 July 2025.....*

**Rory Cunningham**

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# Questions

